

NEWS

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**U. S. ATTORNEY FILES CHARGES AGAINST
SIX INDIVIDUALS IN CONNECTION WITH
NEW ORLEANS ENERGY SAVINGS CONTRACT**

NEW ORLEANS, LOUISIANA - Jim Letten, United States Attorney for the Eastern District of Louisiana, and James Bernazzani, Special Agent in Charge of the Federal Bureau of Investigation, and Michael Nelson, Special Agent in Charge, Internal Revenue Service, announced that Bills of Information were filed today against six individuals in connection with the federal probe into government corruption relating to the City of New Orleans energy saving contracts with Milwaukee based Johnson Controls, Inc.

Charged in a two count Bill of Information with conspiracy to commit mail fraud and tax evasion was TERRY SONGY, the former Johnson Controls project manager for the City of New Orleans energy savings contract. In Count 1, the Bill of Information alleges that SONGY conspired with others including Kerry De Cay, the former Director of Property Management for the City of New Orleans to deprive Johnson Controls of his honest and faithful services and to defraud the City of New Orleans of property and the honest and faithful services of the Director of Property Management. Count 2 alleges that SONGY evaded taxes for the year 2001 by receiving taxable income in a manner designed to avoid notification to the Internal Revenue Service including the receiving of cash payments. If convicted on both counts, SONGY faces a maximum penalty of ten (10) years imprisonment and fines totaling \$500,000.

Five area businessmen who did work under the Johnson Controls contract were also charged by Bill of Information with misprision of a felony. These businessmen are MICHAEL FARRIS, R. J. BROUSSARD, OWEN PRESTRIDGE, MICHAEL GARNETT and RANDALL MOORE. If convicted, each faces a maximum penalty of three (3) years imprisonment and a fine of \$250,000.

MICHAEL FARRIS of Speciality Machine Services, Inc., is charged with misprision of a mail fraud violation in furtherance of fraudulent conduct depriving the City of New Orleans of the honest services of former Director of Property Management Kerry De Cay and Johnson Controls of the honest services of its former project manager, TERRY SONGY. ROY JOSEPH BROUSSARD of R. J. Broussard, LLC, is also charged with misprision of a mail fraud violation in furtherance of fraudulent conduct depriving the City of New Orleans of the honest services of former Director of Property Management Kerry De Cay as well as depriving the management company at the New Orleans Cultural Center of the honest services of an employee. OWEN PRESTRIDGE, a general contractor, is charged with misprision of mail fraud in furtherance of fraudulent conduct in connection with work done at the New Orleans Cultural Center.

MICHAEL GARNETT of Golden Hammer is charged with misprision of extortion by Kerry De Cay by wrongful use and threat of use of fear of economic harm and under color of official right in unlawfully obtaining payments for household appliances for himself from GARNETT. RANDALL MOORE of National Contractor Services, Inc. is charged with misprision of extortion by Kerry De Cay by wrongful use and threat of use of fear of economic harm and under color of official right in unlawfully obtaining cash payments from MOORE.

Commenting on today's federal charges, U. S. Attorney Jim Letten stated:

"Today's federal charges against these six individuals were filed as a part of the same ongoing federal investigation conducted by Special Agents of the FBI and IRS into fraud and corruption arising out of the City of New Orleans' energy savings contracts with Johnson Controls, Inc. It also bears noting that this single ongoing federal probe which yielded today's federal charges against six defendants resulted in the federal indictments on June 16, 2005 of former City Property Management Director Kerry De Cay, and local businessmen Stan "Pappy" Barre, Reginald Walker and Julius Lips, Jr.

Also, as a result of today's charges, we anticipate the guilty pleas and cooperation of the six charged individuals and intend to continue with this investigation which remains ongoing. The FBI, IRS, and U. S. Attorney's Office are absolutely and unswervingly committed to hunting down corruption wherever it exists, and with restoring confidence in government and equal and fair opportunity to all citizens and businesspeople."

This case is being prosecuted by First Assistant United States Attorney Jan Maselli Mann, Assistant United States Attorneys Robert J. Boitmann, Brian M. Klebba and Jon M. Maestri.

A Bill of Information is merely an allegation and all defendants are presumed innocent until convicted at trial or after pleading guilty.

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